

# COMMITTEE REPORT

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## MR. PRESIDENT:

The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 501, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1        Replace the effective date in SECTION 1 with "[EFFECTIVE
- 2        JANUARY 1, 2002 (RETROACTIVE)]".
- 3        Page 2, line 41, delete "May 31," and insert "**July 2,**".
- 4        Page 3, line 31, delete "except as" and insert "**in addition to a**
- 5        **distribution under**".
- 6        Page 3, line 32, delete "provided in".
- 7        Page 4, line 10, delete "which:" and insert "**which**".
- 8        Page 4, line 11, delete "(1)".
- 9        Page 4, run in lines 10 through 11.
- 10       Page 4, line 13, delete "one-tenth (1.1); or" and insert
- 11       "**fifteen-hundredths (1.15)**".
- 12       Page 4, delete lines 14 through 15.
- 13       Page 4, line 19, delete "a proportionate share" and insert "**the sum**".
- 14       Page 4, delete lines 38 through 40, begin a new line double block
- 15       indented and insert:
- 16              "**STEP THREE: Determine the quotient of:**
- 17              (A) the **STEP TWO** amount; divided by
- 18              (B) two (2)".
- 19       Page 7, delete lines 38 through 39 and insert "**school corporation**
- 20       **the sum of the proportionate shares of:**
- 21              (1) revenues obtained by the school corporation's:

1           (A) general fund property tax levy; and  
 2           (B) excise tax revenue; and  
 3           (2) the school corporation's certified distribution of county  
 4           adjusted gross income tax revenue under IC 6-3.5-1-1 that is  
 5           to be used as property tax replacement credits;  
 6           to which the school corporation is entitled during the second six  
 7           (6)".

8           Page 8, line 1, delete "June 30" and insert "**December 31**".

9           Page 8, delete lines 4 through 29, begin a new paragraph and insert:  
 10          "SECTION 7. [EFFECTIVE UPON PASSAGE] (a) **The definitions**  
 11          **in IC 20-5.5-1 apply throughout this SECTION.**

12          (b) **This subsection applies to the state fiscal year beginning July**  
 13          **1, 2003, and ending June 30, 2004. The total of the distributions,**  
 14          **excluding distributions of federal funds, by the department under:**

15               (1) **IC 20-5.5-7-3(d), as amended by this act, to the organizer**  
 16               **of a charter school other than a conversion charter school;**  
 17               (2) **IC 20-5.5-7-3(i), as amended by this act; and**  
 18               (3) **IC 21-3-1.7-9.9, as added by this act, to a school**  
 19               **corporation for the school corporation's students who attend**  
 20               **a charter school other than a conversion charter school;**  
 21          **may not exceed four million dollars (\$4,000,000) for the state fiscal**  
 22          **year. The total of the distributions, excluding distributions of**  
 23          **federal funds, includes any amount set aside by the department**  
 24          **under subsection (d) for the state fiscal year.**

25          (c) **This subsection applies to the state fiscal year beginning July**  
 26          **1, 2004, and ending June 30, 2005. The total of the distributions,**  
 27          **excluding distributions of federal funds, by the department under:**

28               (1) **IC 20-5.5-7-3(d), as amended by this act, to the organizer**  
 29               **of a charter school other than a conversion charter school;**  
 30               (2) **IC 20-5.5-7-3(i), as amended by this act; and**  
 31               (3) **IC 21-3-1.7-9.9, as added by this act, to a school**  
 32               **corporation for the school corporation's students who attend**  
 33               **a charter school other than a conversion charter school;**  
 34          **may not exceed four million dollars (\$4,000,000) for the state fiscal**  
 35          **year. The total of the distributions, excluding distributions of**  
 36          **federal funds, includes any amount set aside by the department**  
 37          **under subsection (d) for the state fiscal year.**

38          (d) **This subsection applies after June 30, 2003, and before July**  
 39          **1, 2005. When the department receives the information reported**  
 40          **under IC 20-5.5-7-3(c), as amended by this act, the department**  
 41          **shall set aside an amount that is sufficient to fund the distributions,**  
 42          **excluding distributions of federal funds, under IC 20-5.5-7-3(d), as**

1       amended by this act, and IC 21-3-1.7-9.9, as added by this act,  
2       during the state fiscal year.

3       (e) The department may adopt temporary rules in the manner  
4       provided for the adoption of emergency rules under IC 4-22-2-37.1  
5       to implement this SECTION. A temporary rule adopted under this  
6       SECTION expires on the earliest of the following:

7           (1) The date another temporary rule is adopted under this  
8           SECTION to supersede the previously adopted temporary  
9           rule.

10          (2) The date that a permanent rule is adopted under IC 4-22-2  
11          to supersede a temporary rule adopted under this SECTION.

12          (3) July 1, 2005.

13       (f) This SECTION expires July 1, 2005."

14       Renumber all SECTIONS consecutively.

(Reference is to SB 501 as introduced.)

**and when so amended that said bill do pass and be reassigned to the Senate Committee on Finance.**

Committee Vote: Yeas 8, Nays 2.

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**Senator Kenley, Chairperson**